[Translation]

Bank Loan to Commercial Sector

*51 SHRIMATI KETAKI DEVI SINGH :
KUMARI UMA BHARATI :

Will the Minister of FINANCE be pleased to state:

(a) whether there has been a decline in the loans being given to the commercial sector by the nationalised banks;

(b) if so, the reasons therefor;

(c) whether any specific steps are being taken to augment the flow of credit to the commercial sector from the nationalised banks; and

(d) is so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Reserve Bank of India (RBI) have reported that during the current financial year 1997–98, the outstanding non-food bank credit of scheduled commercial banks has increased from Rs. 270805 crore as on march 28, 1997 to Rs. 274209 crore as on October 24, 1997, an increase of Rs. 3404 crore (1.3 per cent). During the corresponding period of the previous year the non-food bank credit of scheduled commercial banks increased by Rs. 2382 crore (1.0 per cent)

(c) and (d) The monetary policy announced by the RBI during 1997–98 contains several measures to facilitate faster growth of resource availability to the commercial sector which, inter-alia, include :

(i) Reductions in bank rate by 3 per cent in stages.

(ii) Reduction in cash reservation ratio by 2 per cent (to be reduced in 8 phases).

(iii) Liberalisation of stipulations in respect of obligatory consortium system of credit to borrowers.

(iv) Withdrawal of instructions regarding Maximum Permissible Bank Finance (MPBF) for assessing working capital requirements.

(v) Permission to banks to sanction bridge loans to companies against expected equity flows/issues.

[English]

Anti-Defection Law

*52. SHRI BANWARI LAL PUROHIT : Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there are many loopholes in the Anti-Defection Law and there is a need to review the Tenth Schedule of the Constitution to ban defection altogether;

(b) if so, the details thereof;

(c) whether the Government now propose to amend the law and bring forward a Bill to ban defection;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) Demands have been made to strengthen the Anti-Defection Law on the ground that it has not been able to achieve the desired goal of checking defections. A proposal made in this regard is to delete the provision of Anti Defection Law which recognises a split by one-third members.

(c) to (e) The Government will bring forward a Bill as soon as consensus is reached amongst political parties on changes to be made in Anti Defection Law.

Anti-Dumping Duty on Textiles

*53. SHRI K.S. RAYUDU : Will the Minister of COMMERCE be pleased to state:

(a) whether the European Union have imposed anti-duping duties on certain categories of Indian textiles;

(b) if so, the details thereof;

(c) the quantity and value of textiles exported to European Union countries during the first six months of this year as compared to last year in the corresponding period; and

(d) the steps taken to resolve the issue?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) the European Union (EU) has imposed provisional anti-dumping duties at rates ranging from 3.9% to 27.3% on the imports of Cotton Bed Linen from India. The provisional anti-dumping duty has come into effect from 6th June, 1997 for a period of six months. As regards Unbleached Cotton Fabrics, anti-dumping investigations have been initiated on 11.7.97 and no duties have been imposed as yet.

(c) As per Cotton Textile Export Promotion Council data, during April-Sept. '97, 320 million sq.mtrs. of fabrics valued at Rs. 546.50 crores were exported to European Union countries as compared to 366.83 million sq. mtrs. valued at Rs. 560.50 crores during the corresponding period last year. As regards Made-ups (including Bed Linen), the exports were Rs. 701 crores during April-Sept. '97 as compared to Rs. 643 crores in the corresponding period last year. (This information is based on data collected by the Cotton Textile Export Promotion Council.)

(d) The Government of India has taken up this matter with the European Union Authorities through Embassy of India at Brussels.